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DD/A Registry

76-3227

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DD/A Registry

File Approx Budget

29 JUN 1976

MEMORANDUM FOR: Deputy Director for Administration

SUBJECT: Financial Guidance for the Transition Quarter

1. This memorandum constitutes guidance for the Transition Quarter based on information contained in the T.Q. column of your FY 1977 Congressional Budget request, action taken by the Congress, and agreements reached at recent meetings with the Comptroller.

2. The program levels for your Directorate are:

	<u>Funds</u>	<u>Positions</u>	
25X1A	[REDACTED]	[REDACTED]	25X1A

25X1A

The funds reflect actions taken at the Comptroller's Meeting 17 June 1976. Positions are at the FY 1976 level (adjusted to include 3 positions transferred from the DDI for [REDACTED], and on-duty strength may not exceed that level on 1 October 1976 without prior approval of the Comptroller. The fund and position levels stated in this memorandum should be entered into the Financial Resources System (FRS) and used in the preparation of your 1978 OMB Budget unless they are adjusted by the Comptroller after the unobligated balances for 1976 have been firmly established.

DDA Distribution:

- 1 Cy - Each DD/A Office Director (Eyes Only)
- 1 Cy - SSA-DDA (Eyes Only)

Orig - DDA Subject

DDA:JFBlake:der (30 June 1976)

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2 Signer

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3. The unobligated portion of the 1976 appropriation will be merged at the Agency level with the funds appropriated for the T.Q. These funds will be allotted to the extent possible to restore funding levels of activities affected adversely by the adjustments made at the 17 June Comptroller's Meeting to meet unfunded requirements. The purposes for which they will be allotted will be determined at Comptroller Meetings during the T.Q. For administrative simplicity, unobligated 1976 balances will be left in the accounts where they occur on 30 June; but they will not be available generally for obligation in the T.Q. without discussion in Comptroller Meetings and the approval of the Comptroller. You are urged to review your obligations as rapidly as possible to identify those which can be reduced in order that the funds can be considered for use in the satisfaction of Agency requirements.

4. Within the amount specified above, [REDACTED] is provided for the cost of personal services (Object Classes 11, 12, and 13). You are free to allocate these monies to components as required and to reprogram between components as needed subsequent to the initial input to the FRS, but not to convert them to non-personal services object classes without the Comptroller's prior agreement.

25X1A

5. As in the past, you are expected to keep your records and controls over your resources by major component and to continue to provide project (FAN) and subobject class data to the Financial Resources System to facilitate review and monitoring of the way resources are being used. Your first input to the FRS should reflect initial program approvals; no reprogramming will be allowed until this data base is established. The operating budget amounts entered into the FRS for each major component should, of course, reflect the sub-allotments which you issue, adding up to the one allotment for your Directorate.

6. The Congress has placed restrictions on our authority to reprogram, which require us to take steps to ensure that reprogramming decisions are reviewed centrally to consider whether consultation with our committees may be required. Accordingly, you are requested to seek our approval before undertaking any reprogramming action which:

- a. Changes the use of funds from the purpose originally intended and budgeted for, testified to, and described in our Congressional Budget submission;

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- b. Is intended to restore funds to programs or projects which Congress has specifically reduced or eliminated;
- c. Would apply funds to activities known to be a matter of special interest to the Congress, or which may potentially be embarrassing to the United States;
- d. Will result in significant follow-on costs.
- e. Would apply funds to new activities which have not been subjected to review by OMB and Congress, and have not passed through the normal appropriation process.

The scarcity of resources available during the T.Q. makes it necessary further to restrict reprogramming actions to ensure that requirements are considered in an Agency context. It is important to ensure that funds available for reprogramming are used to satisfy the most urgent Agency need which may be different from the needs of the component where the funds are available. Accordingly, any proposal to reprogram funds during the T.Q. in unit or aggregate amounts of \$100,000 or more must be referred to the Comptroller for approval before the action is taken. Time permitting, the Comptroller will present the proposal to the Deputy Directors at a Comptroller Meeting before taking final action. If the urgency of the requirement prevents presenting it at a Comptroller Meeting, we will consult with individual Deputy Directors as appropriate before taking action.

7. You are requested to submit to the Comptroller as soon as possible your request for converting funds to property requisitioning authority in order that the data can be considered in the proper context in the monthly reviews during the T.Q. In this general connection, during the first eleven months of 1976, several components over encumbered their PRA. Fortunately, the components involved took corrective action immediately and averted the contingency of placing their Directorates and the Agency in the position of being over obligated, but this serves as a reminder that PRA is money, and the responsibility for ensuring its adequacy to cover property requisitioned is the same as it is for funds. Encumbrances should be reviewed and monitored in the same way as obligations. Monthly reviews and estimates of funds which might become available to meet unfunded requirements should include unencumbered PRA balances as well as unobligated dollar balances. This is particularly important during the T.Q., when funds are especially constrained and we already have been forced to take actions disruptive of our planned programs to meet unfunded requirements.

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8. Notifications of imminent action continue to be required
as prescribed by [REDACTED]

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[REDACTED]

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John D. Iams
Comptroller

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